App. F. IX-4

Previous References

1927. (VP

Preserve

File No. 9-27

1871 Serial Nos. ~~15~~ & 19

Later References

V.P. 97-27 (1-27)
74-27 (1,7 & 12)

General and Revenue Secretariat.

P.16/F

Serial Nos. 15 & 19

Part B for 7c6 1928

SUBJECT

Circulars issued by the Dy Commr Chitaldrug for safeguarding funds of village Panchayets.

To The Dy Commr Chitaldrug.

No. L. 485-8 ~~7-27~~ 21.2.28

Requests to revise circulars issued by him in the light of the rules forwarded therewith.

SR 19

4/8/28

General and Revenue Secretariat.

V. P File No. 9 of 192 /

Serial No. 15

Letter no. C 161/27-28 dated 13.12.27 from the D.C. Chitaldrug, forwarding for approval two circulars he has already issued for safeguarding the funds of Village panchayat.

1) The D.C. States that the present system allows much room for abuse in the case of certain unscrupulous Chairmen in so much as the funds of the V. P are deposited on the name of the Chairmen & as there is no sufficient check & control over their action regarding the amount deposited

2) 2) Secondly the dues outstanding are collected and allowed to remain ~~He~~ in the hands of the Chairman until the sum amounts to Rs 100 This also it is requested needs some control ~~for~~ promptly remittance

3) In both these cases the D.C. has issued two circulars directing in the first instance that the funds of V P should be deposited in the name of the Amildar concerned and in the second instance to promptly remit the collection to the treasury ~~however the~~

NOTE.—Contd. sheet.

WD 0324—GPB—60,000—24-5-27

2804 h.

App. F. III—2]

General and Revenue Secretariat. | File No. | of 192

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4) The action taken by the D.C. in this respect seems to be quite salutary and the reason therefor, he has explained are also convincing

5) The circulars issued by him may be approved.

6) Submitted for perusal & orders.

KDI. Re. may be consulted.

18/12/27 Engineer

7) What is the present rule regarding balance - There was some instructions issued sometime ago - Please put up - Files are put up with references incomplete. This should be avoided.

Md 29/12

8) Reference is put up. Vide flag M para 2

KDI 7/1/28 9) The present rule admits that the Chairman may keep the collection amount in his custody up to the extent of Rs 100.

KS 7/1/28 10) In whose name are the VB accts maintained? Md 8/1 Pl. please note what the intention was. I think that the D.C's circular interferes with VB's unnecessarily. Md 13/1

Mr. D.C. 18/1

NOTE- Contn. sheet.

WD 0824—GPB—60,000—24-5-27

2804

App. F. III—2]

General and Revenue Secretariat. | V. P File No. 9 of 1927.

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11) It was intended that the Pass Books should be in the names of the Panchayets and not of chairmen. This is clear from the wording of rule 12 in the notification (flag M).

12) The circulars are issued without any regard to the principles of the Village Panchayet Scheme and interfere with the lawful authority and powers of the Panchayets and their executive heads. Any action taken to rectify irregularities ought to be in strict conformity with the provisions of the V. P. Regn as regards control. The circulars are ultra vires of the Regn and the Rules issued by Govt and are likely to lead to much adverse comment.

DS 16/1/28

12) The letter from the DC is subd for perusal as also paras 11 & 12 of the notes above.

13) The DC will be asked to modify his circulars so as to be within the rules.

5804 20/1 new page.

14) This is [illegible] Mr S. may bring [illegible] to the clear notes by each Govt of variance.

6186 31/1/28 First Member

DC 21/1/28

15) The 24/1/28 (Mr S. may be asked to issue circulars in the light of the notes of the two members)

MO 20/1/28

DC sends a copy 1/2/28

NOTE—Contn. sheet.

GOD 0321—GTB—60,000—24-5-28

Statement showing the points dealt with in the two Circulars issued re: payment from Panchayet Funds in the Chitaldrug District by the Deputy Commissioner of Chitaldrug.

Circular of the Deputy Commissioner.	Notes.	Order.
First circular It has come to the notice of the undersigned that in a certain taluk of this District some of the Chairmen of the Village Panchayets have brought money from the Savings Bank accounts in their names for works not carried out and without the permission or even the knowledge of the Amildar concerned, such widrawal should be put a stop to at once.	The Pass Books of the Village Panchayet Funds should be in the name of Panchayet and not of Chairmen. Under Section 18 (5) of the Village Panchayet Regulation the Chairman is directly responsible for the due fulfilment of the duties imposed upon the Panchayet by or under the Regulation. Permission of the Amildar to draw panchayet money is not required under the Rules and it is not necessary that the Chairman should give notice of his intention to draw money -- to the Amildar. No money should be drawn for works not carried out.	
The Village Funds should be kept in the Savings Bank Deposit in the name of the Amildar for the Village Panchayet ~~unless~~ and no amount paid from the Treasury unless the withdrawal application form is signed by the Amildar, who will satisfy himself that --- money is required for bonafide works actually executed or already undertaken and to be shortly executed.	The Amildar can perform only the duties prescribed by or under the Regulation. He is given certain powers of control under Chapter V of the Regulation. The duty of disbursing money from the Panchayet Fund devolves on the Chairman and not upon the Amildar. When the amount is in the Savings Bank --	

Bank, the officer in charge ~~Treasury~~ is bound to permit withdravals so long as there is a balance. With-drawal forms should be signed only by the Chairman and the Amildar has no function whatever to do in the matter of widrawal of money by Panchayets. It is imposible for an Amildar to satisfy himself that money is required for bonafide works and there will be lot of delay in payment if Amildars are to certify every withdrawal. ~~The~~ Neither the Regulation nor the Rules prescribe ~~a~~ the procedure detailed ~~prescribed by~~ in the Deputy Commissioner's ~~Sir~~ - - Circular. The instruction issued is ultra virus of the Regulation and the principal

SECOND CIRCULAR.

The Amildars and Deputy Amildars, Harihar, are requested to see that all the receipts in respect of Panchayets are credited to the Treasury soon after they are collected and at the latest by the end of the Month.

The instruction is not in strict confirmity with the Rule No.2 issued under Notification No.L.4346 L.B. 26-26-127 dated 6th January 1927. It is not ~~that~~ that the collections should be sent at the end of the month or as soon as they are collected at least once a month and They should be sent forthwith, if they amount to Rs.100/- and more.

Proper precations must be taken to guard agraint temporary or permanent misappropriation.

No remarks.

No amount, however small, should be allowed to be retained in the hand of any person without being credited to the Treasury before the end of the month.

This instruction is against Rule No.2. prescribed above referred to. in Notification dated 6th January 1927. It is not ~~necessary~~ that the amounts should be remitted to the Bank at the end of the month. Remittance at least once a month is prescribed and the maximum - - amount that may remain with the Chairman was prescribed ~~xx~~ in order to obviate ~~xxxxxxxxxxxxxxxxx~~ inconvenience to the Chairman who are honorary Officers. Some Panchayets are situated far away from Taluk Head Quarters and the instruction of the Deputy Commissioner will work as a great hardship in such cases. All these -- points were taken into consideration when ~~in~~ the Rules were prescribed. The instruction of the Deputy Commissioner is against the Rules issued.

Cases of temporary misappropriation if any, so far should be promptly enquired into and a report submitted to the Sub Division --- Officers for necessary action.

No remarks.

Only the Patels and Shanbhoges should be made responsible for collecting and remitting the amounts to the Treasury under all Heads.

The account should be maintained as usual by the Chairman or the Secretaries of the Panchayets concerned.

Under Section 34 of the Regulation every Panchayet must employ such Officers and servants as may be necessary and the Rules prescribed by Government in no way requires that only patels and shanbhogues should be employed for collecting Panchayet dues. In G.O.No.L.548-57/V.P.1-26-16 dated the 27th July 1927, Government stated that "collection -- work of Panchayets will be entrusted to local patels shanbhogues and the usual potgi paid to them whenever necessary". This G.O. does not authorise the Deputy Commissioner to issue an instruction that only patels and shanbhgoues should -- attend to collection work of Panchayets. Without a request of the consent of the Panchayet for such an arrangement, patels and shanbhogues ~~will have no~~ cannot be given any responsibility in the collection work of Panchayets.

Under Section 11 of the Regulation the appointment of the Secretary is not compulsory and it is not necessary that the Chairman should be litcrate. Under G.O. dated 27th July 1927 referred to above Government have directed that when there is no litarate member in a Panchayet, the services of some

literate person may be employed to keep the Registers The instruction that the account should be maintained by the Chairman or Secretary is not correct.

The patels should be held responsible for collecting fees from cattle pounds and crediting the same to the Treasuries without delay, the necessary accounts therefor being maintained by him as hitherto independently of the Panchayet accounts but subject to general control by the Panchayets and their Chairman.

~~Under~~ Notification No.L.4509/L.B.26-26-130 dated 12th January 1927, the functions of the Magistrate of the District under Sections 6, 12 and 17 of the Cattle Tress Pass Act have been transferred to the Panchayets in regard to the pounds situated within their respective jurisdiction and it has been also directed that the surplus, if any accruing in respect of such pounds under Section 18 of the Act should be placed to the credit of the funds of the Village Panchayets concerned. The direction issued by the Deputy Commissioner that the amounts collected in the pounds should be credited to the Treasuries by the Patels without any reference to the Panchayet contravenes the provisions of the Notification of 12th January 1927, referred to above. Moreover, the powers of the Magistrate of the District under Section 6 of the Act having been vested in the Panchayets, they are competent to appoint any person as pound-keeper in place of the patel. It is not necessary that the patel himself should be the pound-keeper. ~~In all the~~

~~3.~~ Again the powers of the Magistrate of the District under Section 17 of the Act vest in the Panchayet and every Officer who holds a sale of cattle under the Act has therefore to send to the Panchayet, the fines deducted out of the sale proceeds and the surplus unclaimed -- proceeds of the sale of cattle also should be sent to the Panchayet. The instruction of the Deputy Commr. in regard to the management of cattle pounds and crediting of the fees etc is not inaccordance with the ~~instructions~~ notification of Government.

~~Under Section 64 of the Village Panchayet Regulation the Panchayet Presidents Panchayet Secretaries Panchayet Accountants and Panchayet Punishments~~

No remarks.

The Amildars should also exercise effective supervision over the expenditure in the --- village Panchayets. The Amildar should have the income and expenditure of every Panchayet in his Taluk classified under the several heads of accounts in the forms Nos.4 & 5 prescribed ~~in~~ in G.O. of the 6th January 1917 and closely -- watch all the belated remittances and take prompt steps to set right the matters wherever necessary and to punish the offenders.

In addition to the Registers prescribed under

P.T.O.

the rules & as an early check over the doings of Panchayets in each Taluk, there should be kept in the form of a tabular chart a list of villages showing the collection and expenditure month by month. Whenever in respect of a village the --- collections are not being promptly remitted or the expenditure mounting higher up than the income, this chart will at once enable the Amildar to notice the irregularity & set it right promptly whenever at Head Quarters the Amildar should - - devote about a quarter of an hour or so daily to examination of this chart so as to keep himself in touch with the working of the Panchayets.

No remarks.

Needless to point out that no expenditure should be incurred, except in emergent cases, without there being an estimate and bill or nominal roll &c., This will ensure that payments are not fictitious. No moneys should as a rule be withdrawn from the - - savings Bank account of the Village Panchayets without the full cognisance and approval of the --- Amildar. The Village Panchayet Inspector and village Panchayet clerk should keep a vigilant look out in this respect and bring irregularities to the Amildar's notice.

As already stated above, neither the approval nor the ~~knowledge~~ cognizance of the Amildar is necessary for withdrawal of Panchayet funds.

General and Revenue Secretariat. R.P. File No. 9 of 192 7

Serial No.

Draft is submitted for approval as directed in last para supra

RT.
2/2/28.

Sus H.
KK
2/2/28

Letter no L2485 R.P. 9-27-19 dated 21.2.28 to the D.C. Chitaldrug requesting to revise the ~~draft~~ circulars in the light of the notes forwarded therewith.

Sd with a Rem V
2/2 L 8020 dy 9-5/28

NOTE—Contn. sheet.

WD 0321—GPB—60,000—21-5-27

DNO 2804 f

Tel: Address:—Depcom,
CHITALDRUG.

In reply, please refer to
No. C.161/27-28

Enclosures. 2.

OFFICE OF THE DEPUTY COMMISSIONER,
CHITALDRUG DISTRICT.

Dated Chitaldrug 13th December *192*

FROM

The *Deputy Commissioner,*
Chitaldrug District.

To

The General Secretary to Government,
Bangalore.

Sir,

I have the honor to state that in the rules issued under the Village Panchayat Regulation the provision made for the safe-guarding moneys of the Panchayats seems to be inadequate. The funds of Village Panchayats are kept generally in the Government Treasury under Savings Bank deposit in the name of the Chairman. The Chairman can thus operate on the account without much control over his doings, at any rate, without any previous check by anybody.

It is found that this state of affairs can easily give scope for abuses on the part of unscrupulous Chairmen as they are at liberty to draw upon the funds of the Village Panchayat and utilise the same for other purposes. Such instances have already occurred in a few cases in the Chitaldrug Taluk and steps are being taken against the erring individuals.

3. The recent rule No.30 of notification No.4346/L.B.26-26-127 dated 6th January 1927 as amended by Government order No. 338-47 P.P 9-27-1 dated 18th July 1927) has given still wider powers to the Village Panchayats. The vital effect of this is to enable the Chairmen to draw up to Rs 200 without there being any estimate for the work.

4. It seems to me it is dangerous to vest such large powers in the Chairman without proper safeguards. I have therefore issued a circular to all the Amildars in the District prescribing that the Village Panchayat Funds should be kept <u>in the name of the Amildar on behalf of the Village Panchayat</u>. This will provide an automatic check against moneys being withdrawn without proper

authorisation or necessity. I enclose a copy of the said circular and trust that my action in the matter will have the approval of Government.

5. Similarly, with regard to collection of Village Panchayat dues and their prompt remittance to the Treasury, I have found greater vigilance and control are necessary if the amounts collected are to be promptly brought on the accounts without being left unduly long in the hands of the collectors. I fear it is not safe to allow collections to accumulate up to Rs 100 in the custody of the Chairman as contemplated in rule 2 of the Notification referred to in para 3 supra. A circular issued for their prompt remittance is also enclosed for information and approval.

I have the honor to be,

S I R,

Your most obedient servant

D. Srinivasa Iyengar

Deputy Commissioner,

Chitaldrug District.

Cir: No. 1. Office of the Deputy Commissioner, Chitaldrug District
Dated Chitaldrug, 13th December 1927.

Circular Memorandum.

It has come to the notice of the undersigned that in a certain Taluk of this District some of the Chairmen of the Village Panchayats have drawn money from the Savings Bank accounts in their names, for works not carried out, and without the permission or even the knowledge of the Amildar concerned. Such withdrawals should be a put a stop to at once. The village funds should be kept in Savings Bank deposit in the name of the Amildar for the Village Panchayat and no amount paid from the Treasury unless the withdrawal application form is signed by the Amildar, who will satisfy himself that money is required for bona fide works actually executed or already undertaken and to be shortly executed.

Deputy Commissioner,
Chitaldrug District.

Office of the Deputy Commissioner, Chitaldrug District
Dated Chitaldrug, 13th December 1927.

C I R C U L A R.

The Amildars and Deputy Amildar, Harihar are requested to see that all the collections in respect of Panchayats are credited to the Treasury soon after they are collected and at the latest by the end of the month. Proper precautions must be taken to guard against temporary or permanent misappropriation. No amount however small should be allowed to be retained in the hand of any person without being credited to the Treasury before the end of the month. Cases of temporary misappropriation, if any, so far should be promptly enquired into and a report submitted to the Sub Division Officers for necessary action.

Only the patels & shanbhogs should be made responsible for collecting and remitting the amounts to the Treasury under all heads. The accounts should be maintained as usual by the Chairman or the Secretaries of the Panchayats concerned. The patels should be held responsible for collecting fees from cattle pounds & crediting the same to the Treasuries without delay, the necessary accounts therefor being maintained by him as hitherto independently of the Panchayat accounts but subject to general control by the Panchayats and their Chairmen.

The Amildars should also exercise effective supervision over the expenditure in the Village Panchayats. The Amildar should have the income & expenditure of every Panchayat in his Taluk classified under the several heads of accounts in the forms Nos. 4 & 5 prescribed in G.O. of the 6th January 1927 & closely watch all the belated remittances & take prompt steps to set right the matters wherever necessary and to punish the offenders.

In addition to the Registers prescribed under the rules & as an early check over the doings of Panchayats in each Taluk there should be kept in the form of a tabular chart a list of villages showing the collection & expenditure month by month. Whenever in respect of a village the collections are not being promptly remitted or the expenditure mounting higher up than the income, this chart will at once enable the Amildar to notice the irregularity & set it right promptly. Whenever at Head Quarters the Amildar should devote about a quarter of an hour or so daily to examination of this chart so as to keep himself in touch with the working of the Panchayats.

Needless to point out that no expenditure should be incurred, except in emergent cases, without there being an estimate and bill or nominal roll &c. This will ensure that payments are not fictitious. No moneys should as a rule be withdrawn from the Savings Bank account of the Village Panchayats without the full cognisance and approval of the Amildar. The Village Panchayat Inspector and Village Panchayat Clerk should keep a vigilant look out in this respect & bring irregularities to the Amildar's notice.

Deputy Commissioner,
Chitaldrug District.

A. P. F. VI. GIL.

SUBJECT Circular issued Connection with Village panchayat funds

Section V P.
File No. 9-27
Serial No. 19

No. L4855 Ennore

Diary No. of letter replied to L2804

General and Revenue Secretariat
( )
the *192*

To The D.C. Chidambaram

Date of issue 21-2-28

Signed by Mrs. K. Iyer

Sir,

With reference to your letter no. 161/27-28 dated 13.12.27 forwarding for approval two circulars issued by you for safeguarding the interest of the Village panchayat & its funds, I am directed to state that the circulars may be revised in the light of the note enclosed.

List of enclosures

Copied by

Examined by 2/2/28

WD0325—GPB—80,000—26-5-27

over